promotion of interest of the small gowers, reduction in membership and manpower of the Boards, enchancing of financial powers, strengthening of research activities with periodical evaluation, privatization of domestic sales outlets, closing of Tea Board's forcign offices, withdrawing from control activities etc. The Committee has also suggested introduction of a Price Insurance Scheme for some commodities and a Price Stabilization Fund to benefit the growers.

**Import of citric acid**

976. SHRI MANOJ BHATTACHARYA: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether substantial quantity of imported citric acid are being sold in the domestic market without proper clearance;

(b) if so, the reasons therefor; and

(c) what effective measures are being contemplated to protect the indigenous manufactures of citric acid?

THE MINISTER OF COMMERCE AND INDUSTRY (SHRI MURASOLI MARAN): (a) to (c) Citric acid is classifed under Exim Code No. 29181400 and import of this item was made free prior to 31.03.1996. Presently, the item attracts basic custom duty of 35%. The total import of the citric acid in last three years has been as follows:

| Year | Qty. (tons) | Value (Rs. Crore) |
|---|---|---|
| 1998-99 | 4348 | 16.32 |
| 1999-2000 | 5722 | 23.69 |
| 2000-2001 (upto February) | 5110 | 20.44 |

Source: DGCI&S, Calcutta

Though the import of citric acid is free, import of this item, like that of any other item in India is subject to domestic laws, rules, orders, regulations, technical specifications, environmental and safety norms as applicable to domestically produced goods. The consignments not meeting these standards would be appropriately

dealt by the authorities through measures including, but not limited to denial of entry at the port of dis-embarkment and/or re-shipment.

Based on a complaint received from the domestic industry, anti-dumping duty has also been imposed on such imports.

**Protection to domestic dairy industry**

977. SHRI NANA DESHMUKH: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether it is a fact that in post quantitative restrictions (QRs) era the Indian markets are flooded with imported milk products;

(b) whether it is also a fact that in order to protect Rs. 5000 crores domestic dairy industry, some drastic steps are needed;

(c) if so, what steps Government propose to take in this regard and the details thereof; and

(d) if not, the reasons therefor?

THE MINISTER OF COMMERCE AND INDUSTRY (SHRI MURASOLI MARAN): (a) and (b) Dairy products are classified under Exim Heads 04.01 to 04.06 of ITC(HS) Classifications of Export and Import Items, 1997—2002. Total import of dairy products under these headings during the period 1999—2000 was Rs. 180.4 crore. The imports declined to 48.2 crore during the first 11 month of the year 2000-2001. The total imports constitute an insignificant percentage of domestic production of dairy products.

(c) and (d) The government has successfully renegotiated the existing 0% bound rate of duty on milk powder (as classified under Exim Code Nos. 0402.10 and 0402.21 of ITC(HS) Classifications of Export and Import Items, 1997—2002) to 60% with a provision for allowing import of 10,000 MT of these products and a concessional duty rate of 15% under Article XXVIII of GATT. The increase in duty was implemented last year. Subsequent to the increase the import of skimmed milk powder decreased from Rs. 97.54 crore during the year 1999-2000 to Rs. 3.95 crore during first 11 month of the year 2000-2001. Recently, imports of milk and milk products have been made subject to a sanitary import permit to be issued by Deptt. of Animal Husbandry and Dairying as per the provisions of Livestock Importation Act, 1898. The Government is constantly monitoring the